



**STATEMENT OF PROCEEDINGS  
FOR THE SPECIAL MEETING OF THE  
LOS ANGELES COUNTY AUDIT COMMITTEE**

**KENNETH HAHN HALL OF ADMINISTRATION  
500 WEST TEMPLE STREET, ROOM 525  
LOS ANGELES, CALIFORNIA 90012**

**Wednesday, March 7, 2012**

**10:30 AM**

AUDIO LINK FOR THE ENTIRE MEETING. (12-1152)

**Attachments:** [AUDIO](#)

Present: Member Lisa Mandel, Member Sylvia Drew-Ivie, and  
Member Springsong Cooper

Excused: Chair Genie Chough, Vice Chair Dorinne Jordan, Member  
Louisa Ollague, Member Carl Gallucci, Member Lori Glasgow

Call to Order. (12-1029)

**The meeting was called to order by Lisa Mandel at 10:35 a.m.**

**I. ADMINISTRATIVE MATTERS**

1. Approval of the February 1, 2012 meeting minutes. (12-0957)

**On motion of Springsong Cooper, seconded by Sylvia Drew Ivie, this item was approved.**

**Attachments:** [SUPPORTING DOCUMENT](#)

**II. OLD BUSINESS**

2. Fiscal Review of Personal Involvement Center, Incorporated - A Foster Family Agency Foster Care Contractor (Continued from meetings of 3/2/11, 6/1/11, 9/21/11, 11/2/11 and 2/1/12). (11-0427)

**Don Chadwick, Auditor-Controller reported a financial viability assessment of Personal Involvement Center Incorporated (PIC) was conducted by the Department of Mental Health and it reflected the contractor's need to strengthen fiscal operations.**

**Cynthia McCoy-Miller, DCFS informed the Commission that \$80,000 has**

been paid in full. An email was requested by Lisa Mandel advising of the date the repayment was resolved and paid.

Sylvia Drew Ivie advised of Saturday academy classes, offered by the Second District, to Community Based Organizations (CBOs) that are facing difficulties.

Discussion on financial viability of troubled agencies and communication among departments holding contracts with these agencies, prior to making a Contractor Alert Reporting Database (CARD) entry, ensued.

Lisa Mandel will convene a workgroup within the next three to four weeks to discuss cross-communication and fiscal viability issues that should be addressed prior to making a CARD entry.

Sylvia Drew Ivie requested protocols for CARD be forwarded to Audit Commission members.

On motion of Sylvia Drew Ivie, seconded by Springsong Cooper, this item was continued to next meeting for an update on fiscal viability and cross-communication progress.

Attachments:    [SUPPORTING DOCUMENT - AC REPORT](#)

3. Children Are Our Future Review - A Group Home Foster Care Contractor (Continued from meetings of 6/1/11, 9/21/11, 11/2/11 and 2/1/12). (11-2369)

Latisha Thompson, DCFS reported a corrective action plan was received and confirmed current funds are being used to repay their debt. Program proceedings are being monitored, including unannounced visits. The agency is paying \$22,000 monthly to reach the total sum of \$1.36 million owed.

On motion of Sylvia Drew Ivie, seconded by Springsong Cooper, this item was continued to the next meeting for a status report on the repayment of the bankruptcy and how it may affect the program.

Attachments:    [SUPPORTING DOCUMENT - AC REPORT](#)  
                          [SUPPORTING DOCUMENT - DCFS REPORT](#)  
                          [SUPPORTING DOCUMENT - PROB REPORT](#)

4. Inner Circle Foster Family Agency - A Foster Family Agency Foster Care Contractor - Fiscal Review (7/11/11) (Continued from meetings of 9/21/11, 11/2/11 and 2/1/12). (11-3691)

**Latisha Thompson, DCFS reported the criminal case on the embezzlement charges of a former employee is scheduled for court on March 12, 2012.**

**On motion of Sylvia Drew Ivie, seconded by Springsong Cooper, this item was continued to the next meeting for a status report.**

**Attachments:**    [SUPPORTING DOCUMENT - AC REPORT](#)

5. Trinity Youth Services, Sites: El Monte, Apple Valley, Yucaipa, and Norco, Contract Compliance Monitoring Reviews (9/30/11) (Continued from meeting of 11/2/11 and 2/1/12). (11-4653)

**Cynthia McCoy-Miller, DCFS reported the contract with this agency is being renewed on a month-to-month basis due to alleged donations received by the agency; validity of donations would off-set questioned cost.**

**Michael McWatters, Auditor-Controller reported there are other issues with the agency, including loaning of County funds to other programs.**

**On motion of Sylvia Drew Ivie, seconded by Springsong Cooper, this item was continued to the next meeting to allow Auditor-Controller to finalize findings report.**

**Attachments:**    [SUPPORTING DOCUMENT - PROB REPORT](#)

6. Institute for Multicultural Counseling and Education Services, Inc. - A Department of Children and Family Services' Contract Service Provider - Contract Compliance Review (11/7/11) (Continued from meeting of 2/1/12). (11-5052)

**Cynthia McCoy-Miller, DCFS stated \$89,575 has been repaid over a period of six months.**

**On motion of Sylvia Drew Ivie, seconded by Springsong Cooper, this item was received and filed.**

**Attachments:**    [SUPPORTING DOCUMENT - AC REPORT](#)

7. Bienvenidos Children's Center, Inc. - A Department of Mental Health Service and Department of Children and Family Services Contract Provider - Contract Compliance Review - Fiscal Years 2008-09 and 2009-10 (11/9/11) (Continued from Meeting of 2/1/12). (11-5053)

**Cynthia McCoy-Miller, DCFS stated agency has reduced their Wraparound program expenditure.**

**Jim Schneiderman, A-C stated unspent funds are determined by taking what was received by the agency minus what is reflected in their cost reports. The unspent funds, up to 10%, will be kept by the agency, as long as it is placed in a reserved account.**

**On motion of Sylvia Drew Ivie, seconded by Springsong Cooper, this item was received and filed.**

**Attachments:**    [SUPPORTING DOCUMENT - AC REPORT](#)

8. Child and Family Guidance Center - A Department of Mental Health and Department of Children and Family Services Contract Provider - Contract Compliance Review (11/4/11) (Continued from meeting of 2/1/12). (11-5054)

**Cynthia McCoy-Miller, Department of Children and Family Services, informed the Commission of a letter sent to the agency advising them that, starting February and for a period of six months, \$5,376 would be deducted on a monthly basis in an effort to recover the \$32,257 owed.**

**On motion of Sylvia Drew Ivie, seconded by Springsong Cooper, this item was received and filed.**

**Attachments:**    [SUPPORTING DOCUMENT - AC REPORT](#)

9. Murrell's Farm and Boys Home Contract Compliance Monitoring Review (9/27/11) (Continued from meeting of 2/1/12). (11-5058)

**Karen Richardson, Department of Children and Family Services, stated an unannounced review was started on February 21, 2012.**

**On motion of Sylvia Drew Ivie, seconded by Springsong Cooper, this item was continued to the next meeting for a status report.**

**Attachments:**    [SUPPORTING DOCUMENT - DCFS REPORT](#)

10. Wings of Refuge Family Services Agency - A Foster Family Agency Contract Provider - Fiscal Review (12/19/11) (Continued from meeting of 2/1/12). (12-0162)

**Michael McWatters, Auditor-Controller, advised composition for the \$2.2 million owed consisted of 76% covered through four lines of credit, mortgage payable for property purchased and the rest with standard payables.**

**Karen Richardson, Department of Children and Family Services, stated the review was completed in June, 2011 and unannounced visits are also being conducted. There was a meeting with the agency last month and there is a scheduled meeting this Friday, March 9, 2012.**

**On motion of Sylvia Drew Ivie, seconded by Springsong Cooper, this item was continued to the next meeting for status report.**

**Attachments:**    [SUPPORTING DOCUMENT - AC REPORT](#)

- 11.**    Little People's World, Inc. - A Group Home Foster Care Contract Provider - Fiscal Review (12/6/11) (Continued from meeting of 2-1-12). (12-0165)

**Thomas Fagan, County Counsel, advised the following entities should be notified; Internal Revenue Service (IRS), State of California, Department of Justice, Charitable Trust Division, and Federal Grantor.**

**In addition, Mr. Fagan also indicated the County contract should be reviewed.**

**At the request of Lisa Mandel, Mr. Fagan agreed to work with DCFS in drafting a letter to the entities that should be notified.**

**On motion of Sylvia Drew Ivie, seconded by Springsong Cooper, this item was continued to the next meeting for a status report.**

**Attachments:**    [SUPPORTING DOCUMENT - AC REPORT](#)

### **III. REPORTS**

- 12.**    Probation Department Juvenile Camps - Department of Justice Settlement Agreement Monitoring for September 1, 2011 through November 30, 2011 - Fourth Status Report (2/7/12). (12-0808)

**On motion of Sylvia Drew Ivie, seconded by Springsong Cooper, this item was received and filed.**

**Attachments:**    [SUPPORTING DOCUMENT - AC REPORT](#)

13. Probation Department Juvenile Halls Monitoring Review - March 1, 2011 through August 31, 2011 (2/8/12). (12-0809)

**Don Chadwick, Auditor-Controller, reported corrective action plan (CAP) goals were adjusted to be more realistic. Review occurs quarterly for Juvenile Camps and every six months for Juvenile Halls. Probation is providing training to try and reduce the number of instances. A report will be issued to the Commission in about six months.**

**On motion of Sylvia Drew Ivie, seconded by Springsong Cooper, this item was received and filed.**

**Attachments:**    [SUPPORTING DOCUMENT - AC REPORT](#)

14. Tarzana Treatment Center, Inc. - A Department of Public Health, Department of Children and Family Services, and Department of Mental Health Services Provider - Contract Compliance Review (2/15/12). (12-0810)

**Michael Rauso, Department of Children and Family Services, advised the Commission a new corrective action plan has been put in place. Discussion ensued on spot checks to assure criminal record clearances are being conducted for employees.**

**Bryan Mershon, Department of Mental Health, stated the agency will be included in an ongoing comprehensive training program to address concerns about their accountability.**

**On motion of Sylvia Drew Ivie, seconded by Springsong Cooper, this item was received and filed.**

**Attachments:**    [SUPPORTING DOCUMENT - AC REPORT](#)

15. Children's Institute, Inc. - A Department of Mental Health and Department of Children and Family Services Contract Service Provider - Contract Compliance Review - Fiscal Years 2009-10 and 2010-11 (2/15/12). (12-0811)

**On motion of Sylvia Drew Ivie, seconded by Springsong Cooper, this item was received and filed.**

**Attachments:**    [SUPPORTING DOCUMENT - AC REPORT](#)

16. Department of Children and Family Services - Review of Emergency Response Command Post Operations (Board Agenda Item 7, July 12, 2011) (2/29/12). (12-1026)

**On motion of Sylvia Drew Ivie, seconded by Springsong Cooper, this item was received and filed.**

**Attachments:**    [SUPPORTING DOCUMENT - AC REPORT](#)

#### **IV. DISCUSSIONS ITEMS**

17.    Status of Finalization and Issuance of the Auditor-Controller Accounting and Contract Administration Handbook (as requested at the meeting of 2/1/12). (12-0647)

**Michael McWatters, Auditor-Controller, advised handbook has been cleared with the Association of Community Human Services Agencies (ACHSA).**

**Robert Campbell, Auditor-Controller, stated availability of the handbook will be discussed with everyone in the next Administration deputy meeting.**

**Karen Richardson, Department of Children and Family Services, will provide the Commission with an update on amendments for the handbook that are due by June 2012.**

18.    Report back from DCFS and DMH on the Wraparound program and the offsetting of program funding (as requested at the meeting of 2/1/12). (12-0648)

**Cynthia McCoy-Miller, Department of Children and Family Services, advised the report provided to the Commission members reflects all of the concerning agencies with regards to the composite of County, State and Federal funding allocations. A letter will be sent to Vista Del Mar advising them of the funds owed.**

**Michael Rauso, Department of Children and Family Services, advised the annual report will reflect a high success rate in Child Welfare Services and Mental Health Services comparisons. The 2010/11 annual report will reflect an overall 72% success rate. Mental Health billing reflects opportunity for growth. Department of Mental Health created a strong training curriculum for Wraparound providers.**

**Angela Shields, Department of Mental Health, advised training has been conducted for 30 of 32 providers.**

19.    Comprehensive Schedule of Audits and Results for DCFS Group Home and Foster Family Agency Contractors. (12-0966)

**The results were forwarded to Commission members. There was no further discussion on this item.**

20. Probation Group Home Monitoring Report. (12-0967)

**Lisa Campbell-Motton, Probation, expressed difficulty in filling additional staff vacancies. Currently, four reviews are at the final phase of completion and Ms. Campbell hopes to be fully staffed soon. Ms. Campbell also advised Sonya Love Guidance Center was placed on hold indefinitely until further review has been completed.**

21. DCFS GH/FFA Fiscal Audits. (12-0968)

**There was no discussion on this item.**

**V. MISCELLANEOUS**

22. Matters not on the posted agenda (to be presented and placed on the agenda of a future meeting). (12-0959)

**There were no matters presented.**

23. Public Comment (12-0961)

**No member of the public addressed the Committee.**

24. Adjournment (12-0962)

**There being no further business to discuss, the meeting adjourned at 12:11 p.m.**